

Press Releases

Delphi Focuses Efforts On Reaching Consensual Agreement

Company exploring workable labor solution and entering 'quiet period' until agreement is reached

TROY, Mich., Dec. 19 /PRNewswire-FirstCall/ -- Delphi Corp. reaffirmed today its commitment to reaching a consensual agreement with its unions and General Motors on comprehensive restructuring. The company also announced in light of GM's recent engagement and discussions with the UAW, Delphi is withdrawing its Nov. 15 proposal to unions which had been based solely on Delphi's financial constraints. Following these discussions, Delphi said it will continue to work toward creating effective solutions acceptable to Delphi and its stakeholders, as well as to the UAW, GM and other unions. The company said that to further facilitate discussions it would defer the filing of Section 1113/1114 motions in the bankruptcy court until at least February 17.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20020315/DEF002LOGO>)

The company's primary short-term focus is to reach consensual agreements enabling competitiveness for Delphi's core U.S. operations, by modifying current labor agreements and realigning Delphi's global product portfolio and manufacturing footprint to preserve company's core business. The consensual agreements will help preserve the value of the company, provide viable jobs in the U.S. for employees and better serve customers globally. Delphi is committed to completing its transformation plan as quickly as possible and to end, does not intend to comment further on discussions with the unions or GM.

The company noted that depending on the outcome of discussions, it may be necessary to return to its Nov. 15 proposal.

Additional information regarding Delphi's filing under the United States Bankruptcy Code including access to court documents and other general information about the chapter 11 cases, is available online at <http://www.delphidocket.com>.

This press release as well as other statements made by Delphi may contain forward-looking statements within the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995, that reflect, when made, the Company's current views with respect to current events and financial performance. Such forward-looking statements are and will be, as the case may be, subject to many risks, uncertainties and factors relating to the Company's operations and business environment which may cause the actual results of the Company to be materially different from any future results, express or implied, by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements include, but are not limited to, the following: the ability of the Company to continue as a going concern; the ability of the Company to operate pursuant to the terms of the DIP facility; the Company's ability to obtain court approval with respect to motions in the chapter 11 proceeding prosecuted by it from time to time; the ability of the Company to develop, prosecute, confirm and consummate one or more plans of reorganization with respect to the chapter 11 cases; risks associated with third parties seeking and obtaining court approval to terminate or shorten the exclusivity period for the Company to propose and confirm one or more plans of reorganization, for the appointment of a chapter 11 trustee or to convert the cases to chapter 7 cases; the ability of the Company to obtain and maintain normal terms with vendors and service providers; the Company's ability to maintain contracts that are critical to its operations; the potential adverse impact of the chapter 11 cases on the Company's liquidity or results of operations; the ability of the Company to fund and execute its business plan; the ability of the Company to attract,

motivate and/or retain key executives and associates; and the ability of the Company to attract and retain customers. Other risk factors are listed from time to time in the Company's SEC reports, including, but not limited to the annual report on Form 10-K for the year ended December 31, 2005 and its most recent quarterly report on Form 10-Q and current reports on Form 8-K. Delphi disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Similarly, these and other factors, including the terms of any reorganization plan ultimately confirmed, can affect the value of the Company's various pre-petition liabilities, common stock and/or other equity securities. No assurance can be given as to what values, if any, will be ascribed in the bankruptcy proceedings to each of these constituencies. Accordingly, the Company urges that the appropriate caution be exercised with respect to existing and future investments in any of these liabilities and/or securities.

SOURCE Delphi Corporation

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